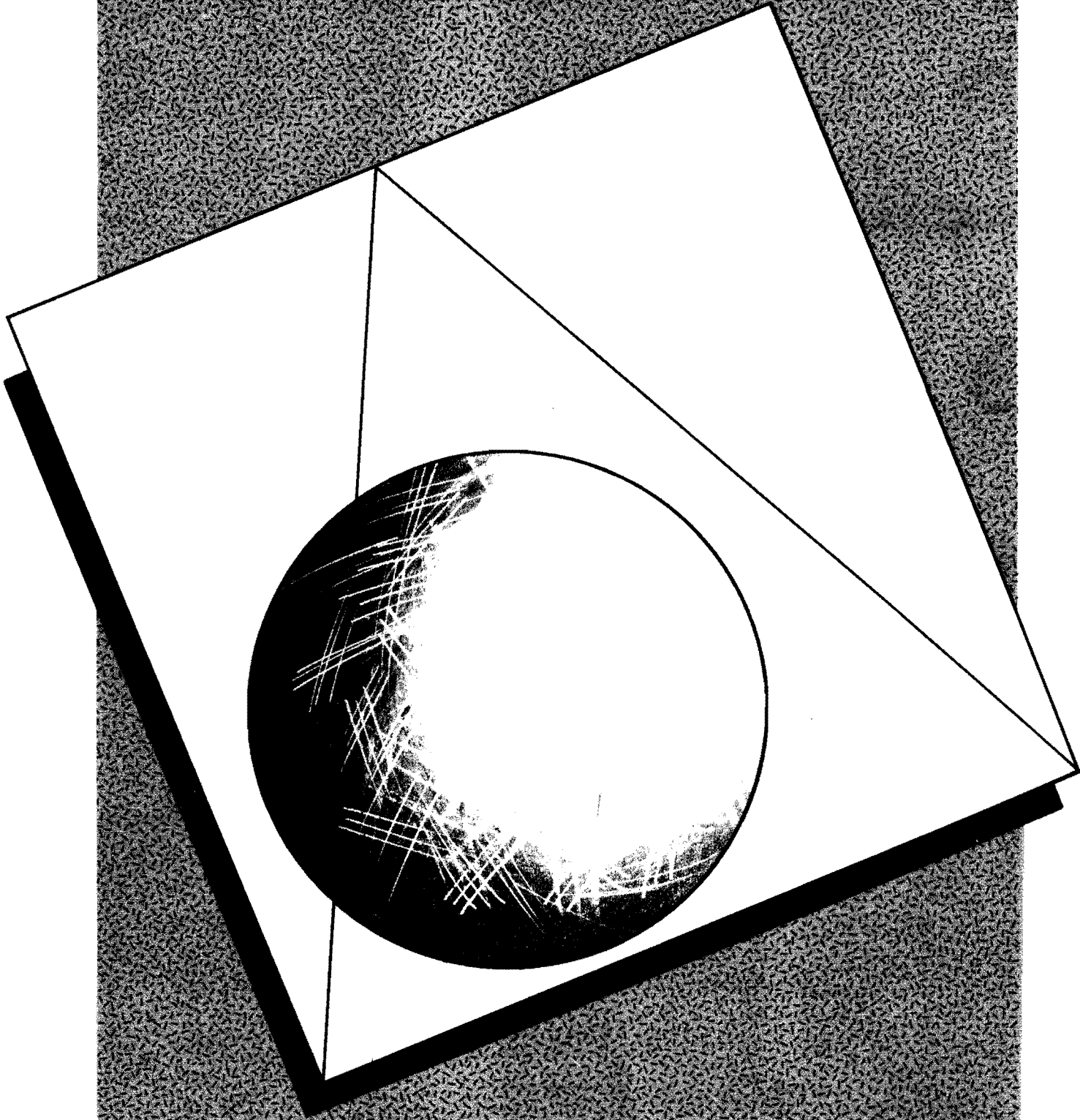


# ODEL RULES FOR A RENTAL HOUSING CO-OPERATIVE



REGISTRY OF CO-OPERATIVES

 Ministry of Housing Victoria

## INTRODUCTION

New model rules especially for rental housing co-operatives were accepted by the government in July, 1984.

These model rules are a considerable improvement over the old model rules for community advancement societies. They are in clearer English. The number of rules has been more than halved. Those rules remaining are tailored specifically to meet the needs of rental housing co-operatives.

On this last point, it is worth highlighting that in the drafting of new legislation, regulations, model rules and a revised set of forms for rental housing co-operatives, the Legislative Review Committee consulted with both the Rental Housing Co-operative Advice Service Ltd (CHAS), representing the members of rental housing co-operatives, and the Ministry of Housing's Rental Housing Co-operatives Unit, representing the programme's administrators. This practice of seeking out the opinions of those working, so to speak, on the coal face is one that is increasingly gaining acceptance within government. In the current review of the Co-operation Act, consultation with the various sectors of the co-operative movement is considered fundamental to drafting responsible and relevant legislation.

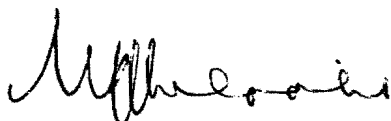
Regulations containing the model rules and examples of the new set of forms applicable to rental housing co-operatives can be purchased from the Government Printer as the Housing (Rental Housing Co-operatives) Regulations 1984, Statutory Rules, No. 259. Actual copies of the new forms are available on request from the Registry.

The new forms are easy to follow, and once again, they have been changed so as to meet the specific needs of rental housing co-operatives.

Finally, I would like to highlight that the new model rules are not meant to be the final word. They are, as the word model implies, a guide as to how a rental housing co-operative can be constituted and managed. Such rules as notice times, meeting procedures, membership and the powers of general meetings can all be changed to suit the principles and objectives of the formation group. Registry staff are available to assist in making amendments to the model rules.

To take one controversial example: if a group so desired, the rules of their co-operative could give to general meetings the sole power to approve all policy decisions. This would effectively ensure that the general membership collectively controlled decision-making, rather than the committee of management.

I hope you find these new model rules more accessible, appropriate and easier to adapt. If so, they will have served their function.



W.J. KILPATRICK  
REGISTRAR OF CO-OPERATIVE SOCIETIES  
MINISTRY OF HOUSING.

# MODEL RULES FOR A RENTAL HOUSING CO-OPERATIVE

## INTERPRETATION

1. (i) In these rules, unless the contrary intention appears:-

"Committee" means the Committee of Management of the Co-operative.

"Financial year" means the year ending on 30th June.

"Member" means a member of the Co-operative.

"the Act" means the Housing Act 1983.

- (ii) Words or expressions contained in these rules shall be interpreted in accordance with the provisions of the Acts Interpretation Act 1958 and the Act as in force from time to time.

## NAME

2. The name of the rental housing co-operative is .....  
.....Rental Housing Co-operative Ltd.  
(in these rules called "the Co-operative").

## REGISTERED OFFICE

3. The registered office of the Co-operative is .....  
.....

## OBJECTS OF THE CO-OPERATIVE

4. The objects for which the Co-operative is formed are all those for which a rental housing co-operative may be formed under Part VI of the Act.

## SHARES

5. Shares in the Co-operative shall be of the nominal value of one dollar (\$1) each and no member shall hold more than one share.

## MEMBERSHIP

6. A person wishing to become a member who is either:
  - (a) a person of the age of 15 years or over who has been selected by the Co-operative to be a tenant of the Co-operative; or
  - (b) a person of the age of 15 years or over who has not been so selected but who is considered by the Co-operative to be capable of and willing to contribute meaningfully to the achievement of the objects of the Co-operative.

may apply for membership by completing and submitting a written application to the Co-operative. Such application shall be in the form in the Appendix of these rules and shall be considered by the Co-operative at its next meeting where a decision on it shall be taken and as soon as practicable thereafter the applicant shall be notified in writing accordingly. An applicant for membership whose application is approved shall be a member of the Co-operative upon the issue to him or her of one share in the Co-operative.

7. After approval by the Co-operative of an application for membership the Co-operative shall issue one share to the approved applicant upon payment of the sum of one dollar (\$1).

## EXPULSION OF MEMBERS AND FORFEITURE OF SHARES

8. A member may be expelled from the Co-operative by majority resolution of the effect:
  - (a) that he or she has failed to discharge his/her obligations to the Co-operative whether prescribed by these rules or arising out of any contract; or
  - (b) that he or she has been guilty of conduct unbecoming a member and prejudicial to the interests of the Co-operative.

Provided that in either case written notice of the proposed resolution shall be forwarded to the member not less than 7 days before the meeting, and he or she shall be given an opportunity to be heard at that meeting.

9. The share of a member who has been expelled is by reason of that expulsion forfeited to the Co-operative which shall notify that member in writing accordingly. Such share shall be cancelled and shall not be re-issued.

## MANAGEMENT

10. The business and operations of the Co-operative shall be managed and controlled by the members in meetings.
11. The Committee of Management appointed pursuant to these rules shall:
  - (a) convene all meetings of the Co-operative; and
  - (b) carry out those functions, tasks and duties as from time to time delegated to it by the members in meetings and those specified in these rules.

## COMMITTEE OF MANAGEMENT

12. There shall be a Committee of Management of five members who shall be elected by the members of the Co-operative at each annual general meeting.
13. Members of the first Committee shall be elected at the meeting for the formation of the Co-operative.
14. Each member of the Committee shall hold office until the annual general meeting next after the date of his or her election, but is eligible for re-election.
15. A member who desires to be elected to the Committee shall lodge at the registered office of the Co-operative a nomination to that effect in writing not less than twenty-one days before the date fixed for the holding of the annual general meeting.
16. If insufficient nominations are received to fill all vacancies on the Committee, the candidates nominated shall be deemed to be elected and further nominations shall be received at the annual general meeting.

17. If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated shall be deemed to be elected.
18. If the number of nominations exceeds the number of vacancies to be filled, a ballot shall be held.
19. The ballot for the election of members of the Committee shall be conducted at the annual general meeting in such usual and proper manner as the Committee may direct.
20. The office of a member of the Committee becomes vacant if the member:
  - (a) ceases to be a member of the Co-operative;
  - (b) becomes bankrupt; or
  - (c) resigns his or her office by notice in writing given to the Committee.
21. In the event of a casual vacancy in the Committee, the Committee may appoint one of the members to the vacant office and the member so appointed may continue in office up to and including the conclusion of the annual general meeting next following the date of his or her appointment.
22. The Co-operative in meeting may by majority resolution remove any member of the Committee before the expiration of his or her term of office and appoint another member in his or her stead to hold office until the expiration of the term of the first mentioned member.

## MEETINGS

23. A meeting of the members of the Co-operative shall be held monthly.
24. A meeting of the members of the Co-operative shall be known as the annual general meeting and such meeting shall be convened each year in accordance with the Act.
25. Each meeting of the Co-operative (including the annual general meeting) shall be convened on such day as the Committee determines.

26. In default of any meeting being convened and/or held such meeting shall with the written approval of the Registrar of Rental Housing Co-operatives be held in the month next following and may be convened by any seven members in the same manner as nearly as possible as that in which the meetings are to be convened by the Committee.
27. At each annual general meeting the business to be conducted shall be:-
- (a) confirmation of the minutes of the last preceding annual general meeting;
  - (b) receipt from the Committee, auditors, or any member of reports upon the transactions of the Co-operative during the financial year, including the balance sheet and profit and loss account of the Co-operative and the state of affairs of the Co-operative at the end of the financial year; and
  - (c) election of members of the Committee and determination of the remuneration of auditors.
28. At each meeting of the Co-operative other than the annual general meeting the business to be conducted shall be:
- (a) confirmation of the minutes of the last meeting.
  - (b) receipt from the Committee and members of reports upon the transactions and activities of the Co-operative since the last preceding meeting;
  - (c) consideration and approval or disapproval of any application for membership; and
  - (d) nomination to the Committee of the date of the next meeting.

## NOTICE OF MEETINGS

29. The Committee shall, at least seven days before the date fixed for holding a meeting of the Co-operative, cause to be sent to each member at his or her address appearing in the records of the Co-operative, a notice by pre-paid post stating the place, time and date of the meeting and the nature of the business to be transacted at the meeting.
30. No business other than that set out in the notice shall be transacted at the meeting.



31. A member desiring to bring any business before a meeting shall not less than ten days prior to the date of the meeting give notice of that business in writing to the Committee which shall include that business in the notice calling the next meeting after the receipt of the notice.

## PROCEEDINGS AT MEETINGS

32. No item of business shall be transacted at a meeting unless a quorum of members is present during the time when the meeting is considering that item.
33. Seven members personally present constitute a quorum for the transaction of business of a meeting.
34. If within half an hour after the appointed time for the commencement of the meeting, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and at the same place and if at the adjourned meeting the quorum is not present within half an hour after the time appointed for the commencement of the meeting, the members present (being not less than four) shall be a quorum.
35. The members present at each meeting of the Co-operative shall elect one of their number to preside as chairperson at the meeting and another of their number to act as secretary for the purposes of the meeting. The chairperson shall determine the order of business and the standing orders to be observed at the meeting over which he or she presides. The secretary shall keep minutes of the resolutions and proceedings of each meeting in books provided for that purpose.
36. The chairperson of a meeting at which a quorum is present may, with the consent of the meeting, adjourn the meeting from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.
37. Where the meeting is adjourned for fourteen days or more, a like notice of the adjourned meeting shall be given as in the case of the meeting.

38. Except as provided in the two previous rules, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.
39. At any meeting every question for decision by the meeting shall be determined by a majority of persons present in person thereat, and unless a poll is (before or on the declaration of the result of a show of hands) demanded by at least five members, the question shall be determined on a show of hands, and a declaration by the chairperson that a resolution has on a show of hands been carried by simple majority, or carried unanimously, or by a particular majority, or lost shall be prima facie evidence of the fact.
40. In the case of an equality of voting on a motion before a meeting the motion shall be lost and shall not be reconsidered at that meeting.
41. If a poll is duly demanded it shall be taken in such manner as the chairperson directs and the results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
42. A poll that is demanded on the election of a chairperson, the election of a secretary or on a question of an adjournment shall be taken forthwith and a poll that is demanded on any other question shall be taken at such time before the close of the meeting as the chairperson may direct.

#### SEAL

43. The common seal of the Co-operative shall be kept at its registered office.
44. The common seal shall only be affixed by the authority of a meeting of the Co-operative and the affixing of the common seal attested by two members of the Committee.

## RECORDS AND ACCOUNTS

45. Sufficient and proper accounting and all other necessary records shall be maintained and left at the registered office of the Co-operative for the purposes of the Co-operative and in order to comply with the provisions of the Act. All accounts of the Co-operative shall be kept by double entry and in a manner which enables all income accrued and expenditure incurred to be taken into account in the financial year when it is accrued and incurred. The accounts of any petty cash advance shall be kept on an imprest system and the records of the Co-operative shall contain details of the Co-operative's fixed assets and their individual values.

## BANKING, CHEQUES AND PAYMENTS

46. The Co-operative shall open a bank account in the name of the Co-operative and all monies received by or on behalf of the Co-operative shall be paid into that account as soon as possible following their receipt.
47. All cheques drawn on the Co-operative's bank account shall be signed by two members of the Committee. All payments by the Co-operative shall be by cheque save such payments as the Committee may direct to be paid out of any petty cash advance.

## NOTICES

48. A notice may be served by or on behalf of the Co-operative upon any member either personally or by sending it by post to the member at the member's address shown in the records kept by the Co-operative.
49. Where a document is properly addressed, pre-paid and posted to a person as a letter, the document shall, unless the contrary is provided, be deemed to have been given to the person at the time at which the letter would have been delivered in the ordinary course of post.

## WINDING UP

50. If upon a winding up of the Co-operative there remains after satisfaction of all of the debts and other liabilities of the Co-operative any property, real or personal, such property shall not be paid to or distributed amongst the members but shall be applied to and/or paid over to another rental housing co-operative nominated by the Co-operative, or such property shall be paid to such person or institution to be used for the promotion of co-operation or any community benefit as determined by the Co-operative.

APPENDIX

APPLICATION FOR MEMBERSHIP

..... RENTAL HOUSING CO-OPERATIVE LTD  
(Name of Co-operative)

I, .....  
(full name of applicant)

of .....  
(Address)

..... desire to be admitted as a member  
(Occupation)

and to be issued one \$1 share in the abovenamed co-operative.

I am over the age of 15 years and in the event of my admission as a member, I agree to be bound by the rules of the co-operative for the time being in force.

.....  
Signature of Applicant

Date .....

.....  
Witness

CO-OPERATIVE USE ONLY

\$ Membership Number .....

\$ Date of Approval .....

\$ Receipt Number .....